

**Vermont Health Access
Pharmacy Benefit Management Program**

July, August and September 2007

**Quarterly Report to
Health Access Oversight
Committee**

Q1 SFY 2008

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Agency of Human Service

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The Agency of Human Services, Office of Vermont Health Access (OVHA), is pleased to provide the quarterly report to the Health Access Oversight Committee as required by Act 127 approved in 2002 and found in 33 V.S.A. Chapter 19 § 2001. This report covers the activities of the Pharmacy Benefits Manager (PBM) for the first quarter of State Fiscal Year 2008.

The three requirements are set out in bold italics. OVHA's response follows each requirement.

§2001 (c) (1) "The director of the office of Vermont health access shall report quarterly to the health access oversight committee concerning the following aspects of the pharmacy best practices and cost control program:

(1) the efforts undertaken to educate health care providers about the preferred drug list and the program's utilization review procedures;"

During this quarter, the following educational mailings were sent to pharmacy providers:

- July 2007: Instructions for billing multi-ingredient compound claims and new level-of-effort compounding fee.
- September 2007: OVHA Pharmacy Alert – Information on new federal law regarding tamper-resistant prescription drug pads.

In an attempt to make all documents available to interested parties, the department maintains a web page dedicated to the Pharmacy Benefits Management Program at:

<http://ovha.vermont.gov/for-providers>

“(2) the number of prior authorization requests made;”

	Requests	Approved	Changes	Denied	Fair Hearing Status
July	1391	1134	73	184	Pending: 1 Dismissed: 1
August	1470	1193	49	228	Withdrawn: 1
September	1345	1084	102	159	
Total	4206	3411	224	571	3

Data in the table above show that OVHA received a total of 4,206 requests for prior authorization (PA) during the first quarter of State Fiscal Year 2008 (July, August and September 2007). This represents a 2.21% reduction in the total number of PA requests received from the previous quarter (4,301), and a 10.22% decrease from one year ago, Q1 SFY 2007, when total PA requests were 4685.

“(3) the number of utilization review events (other than prior authorization requests).”

	July	August	September	Q1 2008	Percentage of Total
Drug-Age Precaution	7	9	5	21	0.01%
Drug-Disease Precaution	3,537	3,375	3,285	10,197	3.88%
Drug-Drug Interaction	23,639	23,083	22,148	68,870	26.23%
Ingredient Duplication	7,281	7,168	6,710	21,159	8.06%
Refill Too Soon	3,794	3,790	3,222	10,806	4.11%
Therapeutic Duplication	51,995	51,885	47,674	151,554	57.71%
	90,253	89,310	83,044	262,607	100.00%

During the first quarter of SFY 2008, a total of 262,607 utilization events occurred. This was a 0.28% increase from the previous quarter, in which a total of 261,876 utilization review events occurred.

Below is a comparison of the utilization review events for the first quarter SFY 2008 and the fourth quarter of SFY 2007.

	Q1 SFY 08	Q4 SFY 07	Percent Change:
Drug-Age Precaution	21	52	-59.62%
Drug-Disease Precaution	10,197	10,048	1.48%
Drug-Drug Interaction	68,870	66,521	3.53%
Ingredient Duplication	21,159	20,970	0.90%
Refill Too Soon	10,806	10,703	0.96%
Therapeutic Duplication	151,554	153,582	-1.32%
Total	262,607	261,876	0.28%